

Millennium Challenge Corporation



BENIN

Benin was selected to participate in Millennium Challenge Account program in fiscal years 2004-2006.



General Information:

Population: 6,890,214

Location: Western Africa

Capital City: Porto Novo

Relative Size: slightly smaller than Pennsylvania

Economic Statistics:

GNI Per Capita Income: \$530

Gross Domestic Product: \$4.1 billion

GDP Growth Rate: 3%

Proposal Goal

The Government of Benin has proposed a five year approximately \$307 million program to increase investment and private sector activity in Benin. The proposed program removes key constraints to growth and supports improvements in physical and institutional infrastructures in four critical sectors. The proposal is comprised of four proposed projects: Access to Land, Access to Financial Services, Access to Justice, and Access to Markets.

Expected Results

The Program is expected to impact an estimated 5 million beneficiaries and lift 250,000 Beninese out of poverty by the year 2015.

- The proposed Land Project is expected to assist an estimated 115,000 rural and urban households with more secure and useful tenure; contribute to a 50% reduction in court cases related to land disputes; and result in a 10% increase in investment in rural land and a 20% increase in investment in urban property.
- The proposed Financial Services Project is expected to expand financial services to micro, small, and medium enterprises by nearly \$60 million.
- The proposed Justice Project is anticipated to benefit approximately 2.38 million Beninese by bringing courts closer to rural populations and making them more responsive and effective.
- A more efficient Port will contribute to importer and exporter value-added by reducing transportation costs and increasing the level of Port operations, bringing anticipated reductions in shipping costs, and adding value to jobs at the Port.

Update on Progress

- The proposed Compact is currently under consideration by the MCC Board.
- If approved, and following the Congressional consultation period, MCC and the Government of Benin will prepare for Compact signature.

Jim Kolbe

Congressman (R-AZ)

"I am very satisfied with the consultative process. This meeting truly demonstrates that [Compact development] was grass roots up. I will leave Benin very impressed with the Compact, and I believe all four components will have an impact on Benin."

(Quote following Congressional Delegation to Benin)